



NEWS TO USE

A newsletter for PERSI Employers

September 2000

- New Annual Statements
- Information Coming
- Employer Meetings
- PEO's

New, improved Annual Statements to give comprehensive look at all PERSI benefits

New, Comprehensive Statements

This year, you and your employees will see big changes in PERSI's Annual Member Statements. The new statements include major improvements that will provide members with a comprehensive look at all their PERSI benefits. The statements will show not only the member's accrued and projected Retirement benefits, but will also show the member's Separation, Death and Disability benefits as well as other information. This will help to illustrate to members that their PERSI benefit is worth far more than just their account balance – that a number of valuable benefits are part of their retirement plan.

Each statement will include information that is specific for each member. For

example, if a member is not yet eligible for a Retirement Disability benefit, the statement will indicate how many months of service the member has and how many more months he or she needs to be eligible for the benefit.

Statements Sealed for Confidentiality

Another improvement this year: individual statements will be sealed in separate envelopes for confidentiality of member information. Next year, as the new transmittal reporting system is implemented and employee home addresses are reported to PERSI, we anticipate mailing statements directly to member homes.

Statements to be distributed in phases in October and November

Beginning this year, the statements will be distributed on a staggered basis. This will allow PERSI staff to better assist members who have questions about their statements. The new and improved statements will be distributed from around mid-October to mid-November in this order: 1) School Districts, 2) State Agencies, 3) Cities and Counties, and 4) Other Political Subdivisions.

If your employees are asking you when the statements will be distributed, please pass along the above information.

We believe you and your employees will like the new and improved statements, with their more comprehensive explanation of all PERSI benefits.

A lot of information on its way this Fall and in 2001

We know that you and your employees are getting anxious to learn more about Gain Sharing and the new PERSI Choice plan. We want you to know that a lot of information is on its way.

Beginning in October and November, we will be distributing newsletters, new Member Handbooks, and Annual Member Account Statements.

Also in October and November, we will offer a series of Employer Meetings across the state which we encourage payroll, IT, and personnel staff to attend. These will cover Gain Sharing, our new payroll reporting system and more. See

the back page for more information on these meetings.

And in 2001, watch for a huge push to educate all members about the current PERSI Base plan, new Gain Sharing Choice plan, and investments.

To help us with our educational efforts, PERSI has contracted with Educational Technologies Inc. (ETI), of Troy, MI. ETI will be helping us to develop a video bookpack, internet-accessible modeling software, 600 in-person presentations at employer locations, a new education web site and more.

In the near future, ETI will be contacting many of you to arrange for on-site presentations for your employees. These 2 - 3 hour presentations will include a segment by a PERSI representative covering the Base and Choice plans, as well as a segment by an ETI representative covering investment basics and strategies.

When ETI contacts you, rest assured that, yes, they are contracted with us and it is okay to work with them to set up presentations for your employees. In fact, we encourage it, because we'll be at the presentations as well.

Upcoming Employer Meetings to cover new payroll reporting system, gain sharing and more

In October and November, PERSI will hold training workshops throughout the state to bring our employers up-to-date on:

- Gain Sharing and the new PERSI Choice Plan
- Purchase of Service
- Changes to our payroll reporting system
- Upcoming member education

Below is a schedule of times and locations for these workshops. Please

notify any employees (such as Administrators, Information Technology staff, other Personnel representatives) in your organization who might need to attend. Seating will be limited so we encourage you to RSVP to let us know which meeting will work best for you and how many of you will be attending.

To reserve space at a workshop, please contact Bill Duncan, Training Associate, at 208-334-2451 ext. 292 or e-mail bduncan@persi.state.id.us

PERSI cannot currently allow participation by PEO employees

By Brad Goodsell, Deputy Attorney General assigned to PERSI

Some PERSI employers have been approached by Professional Employer Organizations (PEOs), and you may be contacted as well. These companies seek contracts essentially to provide the human resources function for other entities, offering software, payroll services, pooling of health insurance risks, and other benefits. Under such arrangements, the entity's employees are generally considered employees of the PEO. While PERSI expresses no opinion concerning the value of such services, the use of PEOs in the public sector does raise some significant questions.

First, Idaho Code, title 44, chapter 24, recognizes PEOs and sets forth some guidelines for their operation. The provisions, at a minimum, cast some doubt on whether PEOs can operate in the public sector. Second, to preserve its status as a governmental plan, PERSI must restrict participation to governmental employees, generally precluding private employers. This raises a dilemma, particularly for school districts, which must, by law, include their employees in PERSI.

Consequently, it is currently PERSI's position that PERSI will not allow participation by PEO employees unless and until:

1. The Idaho statute regulating PEOs is amended to clearly permit arrangements with the public sector and particularly with school districts; and
2. Private letter rulings are obtained from the IRS and the Department of Labor, permitting participation by PEO employees without jeopardizing PERSI's governmental plan status.

If you have questions concerning this, please contact Brad Goodsell at bgoodsel@persi.state.id.us

Employer Meeting Schedule

Date	Location	Time
10/3	Boise – Holiday Inn.....	9 am - 12 pm
10/3	Boise – Holiday Inn	1 - 4 pm
10/6	Caldwell – Health & Welfare	9 am - 12 pm
10/13	Twin Falls – Weston Plaza	9 am - 12 pm
10/13	Twin Falls – Weston Plaza	1 - 4 pm
10/16	CDA – Shilo Inn	9 am - 12 pm
10/16	CDA – Shilo Inn	1 - 4 pm
10/17	Lewiston – Red Lion	9 am - 12 pm
10/17	Lewiston – Red Lion	1 - 4 pm
10/26	Caldwell – Health & Welfare	1 - 4 pm
10/27	Boise – Holiday Inn.....	9 am - 12 pm
10/27	Boise – Holiday Inn	1 - 4 pm
11/6	Pocatello – Holiday Inn	9 am - 12 pm
11/6	Pocatello – Holiday Inn	1 - 4 pm
11/7	Idaho Falls – Shilo Inn	9 am - 12 pm
11/13	Boise – Holiday Inn.....	9 am - 12 pm
11/13	Boise – Holiday Inn	1 - 4 pm
11/17	Salmon – (Tentative).....	TBD
11/20	Idaho Falls – Shilo Inn	1 - 4 pm
11/21	Pocatello – Holiday Inn	9 am - 12 pm